



# Companies Act 1985

## 1985 CHAPTER 6

### PART VII

#### ACCOUNTS AND AUDIT

### CHAPTER I

#### PROVISIONS APPLYING TO COMPANIES GENERALLY

VALID FROM 01/08/2002

*Quoted companies: directors' remuneration report*

#### **234B Duty to prepare directors' remuneration report**

- (1) The directors of a quoted company shall for each financial year prepare a directors' remuneration report which shall contain the information specified in Schedule 7A and comply with any requirement of that Schedule as to how information is to be set out in the report.
- (2) In Schedule 7A—
  - Part 1 is introductory,
  - Part 2 relates to information about remuneration committees, performance related remuneration and liabilities in respect of directors' contracts,
  - Part 3 relates to detailed information about directors' remuneration (information included under Part 3 is required to be reported on by the auditors, see section 235), and
  - Part 4 contains interpretative and supplementary provisions.
- (3) In the case of any failure to comply with the provisions of this Part as to the preparation of a directors' remuneration report and the contents of the report, every

*Status: Point in time view as at 08/11/1999. This version of this cross heading contains provisions that are not valid for this point in time.*

*Changes to legislation: There are currently no known outstanding effects for the Companies Act 1985, Cross Heading: Quoted companies: directors' remuneration report. (See end of Document for details)*

person who was a director of the quoted company immediately before the end of the period for laying and delivering accounts and reports for the financial year in question is guilty of an offence and liable to a fine.

- (4) In proceedings against a person for an offence under subsection (3) it is a defence for him to prove that he took all reasonable steps for securing compliance with the requirements in question.
- (5) It is the duty of any director of a company, and any person who has at any time in the preceding five years been a director of the company, to give notice to the company of such matters relating to himself as may be necessary for the purposes of Parts 2 and 3 of Schedule 7A.
- (6) A person who makes default in complying with subsection (5) commits an offence and is liable to a fine.

**Modifications etc. (not altering text)**

- C1 [S. 234B\(3\)](#) applied (1.10.2005) by [S.I. 1990/2570, reg. 5A\(2\)](#) (as inserted by [The Companies \(Revision of Defective Accounts and Report\) \(Amendment\) Regulations 2005 \(S.I. 2005/2282\)](#), [art. 6](#))

**234C Approval and signing of directors' remuneration report**

- (1) The directors' remuneration report shall be approved by the board of directors and signed on behalf of the board by a director or the secretary of the company.
- (2) Every copy of the directors' remuneration report which is laid before the company in general meeting, or which is otherwise circulated, published or issued, shall state the name of the person who signed it on behalf of the board.
- (3) The copy of the directors' remuneration report which is delivered to the registrar shall be signed on behalf of the board by a director or the secretary of the company.
- (4) If a copy of the directors' remuneration report—
  - (a) is laid before the company, or otherwise circulated, published or issued, without the report having been signed as required by this section or without the required statement of the signatory's name being included, or
  - (b) is delivered to the registrar without being signed as required by this section,
 the company and every officer of it who is in default is guilty of an offence and liable to a fine.

**Modifications etc. (not altering text)**

- C2 [S. 234C](#) applied (with modifications) (1.10.2005) by [S.I. 1990/2570, reg. 5A\(1\)](#) (as inserted by [The Companies \(Revision of Defective Accounts and Report\) \(Amendment\) Regulations 2005 \(S.I. 2005/2282\)](#), [art. 6](#))

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